



General Assembly

***Amendment***

*June 30 Special Session, 2003*

LCO No. **7863**

\*HB0680307863SR0\*

Offered by:

SEN. MCKINNEY, 28<sup>th</sup> Dist.  
SEN. DELUCA, 32<sup>nd</sup> Dist.  
SEN. ANISKOVICH, 12<sup>th</sup> Dist.  
SEN. SMITH, 14<sup>th</sup> Dist.

SEN. COOK, 18<sup>th</sup> Dist.  
SEN. RORABACK, 30<sup>th</sup> Dist.  
SEN. FREEDMAN, 26<sup>th</sup> Dist.

To: House Bill No. **6803**

File No.

Cal. No.

***"AN ACT CONCERNING STATE EMPLOYEE CONTRACTS."***

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- 1       Strike section 1 and insert the following in lieu thereof:
- 2       "Section 1. (Effective from passage) (a) The Secretary of the Office of
- 3       Policy and Management shall offer to modify the pension agreement
- 4       between the State Employees Bargaining Agent Coalition (SEBAC) and
- 5       the state, within seven days of the effective date of this section, in the
- 6       following ways: (1) To incorporate the changes made by public act 03-2
- 7       and special act 03-2, provided nothing in such incorporation shall
- 8       affect any grievance or arbitration challenging privatization occurring
- 9       as a result of the state's decision, as reflected in such acts, to offer an
- 10      Early Retirement Incentive Program; (2) notwithstanding any other
- 11      provision, in order to refill positions that are vacant due to ERIP, or for
- 12      any other reason, the secretary may authorize the hiring of up to 2300
- 13      employees in fiscal year 2004; (3) members of the Alternate Retirement

14 Program retiring within two months of the acceptance by SEBAC of  
15 the provisions of this section, who would have been eligible for the  
16 ERIP if they had been SERS members, shall receive an additional  
17 twelve per cent of their Final Average Earnings, as defined under the  
18 SERS, paid out as three equal annual employer contributions to the  
19 employee's retirement account, on the dates indicated in subsection (b)  
20 of section 6 of public act 03-2, if such is allowable pursuant to  
21 applicable law and regulation, or as five equal annual lump sum  
22 payments, at the employee's discretion; (4) notwithstanding the  
23 provisions of subsection (b) of section 6 of public act 03-2, members of  
24 the Teachers' Retirement System retiring during the ERIP period,  
25 including the extension of the ERIP under this section, shall not be  
26 required to use their credit towards age, rather than years of service,  
27 when such use is not otherwise required to meet the minimum  
28 retirement standards of the Teachers' Retirement System. Members of  
29 the Teachers' Retirement System and the Alternate Retirement  
30 Program shall have two months following the acceptance by SEBAC of  
31 the provisions of this section to retire under the ERIP. Members of the  
32 Teachers' Retirement System who retired prior to June 1, 2003, in order  
33 to comply with the ERIP prior to the effective date of this section, shall  
34 be deemed to have completed a full year of employment as of their  
35 retirement date; (5) the Health Care provisions of the Pension  
36 Agreement between SEBAC and the state shall be modified so that  
37 active employees and future retirees, but not including any retirees  
38 leaving as a result of the ERIP, are covered by a pharmacy copay plan  
39 that shall be identical to the current plan, except that the copay for  
40 generics shall be ten dollars, for preferred brand names shall be fifteen  
41 dollars, and for all other prescriptions shall be twenty dollars. The list  
42 of preferred brands shall be preapproved by the Healthcare Cost  
43 Containment Committee. All healthcare provisions shall be further  
44 modified to allow the self-insurance of pharmacy coverage; (6) the  
45 Health Care provisions of the Pension Agreement between SEBAC and  
46 the state shall be modified so that employees first hired on or after July  
47 1, 2003, shall not have access to the Preferred POS plan. New  
48 enrollment in the preferred plan for current employees shall end no

49 earlier than July 1, 2004, provided enrollment shall not end until the  
50 Comptroller certifies that access to out-of-network providers for  
51 employees with life threatening illnesses will be provided through the  
52 POS standard plan in a manner substantially equivalent to that  
53 currently available under the Preferred POS plan. Commencing on the  
54 effective date of this act, the employees' share of the cost of coverage  
55 for all plans shall be increased by five per cent. The provisions of this  
56 subdivision shall not affect access to the Preferred POS plan for  
57 retirees; (7) employees shall pay fifteen dollars more for a visit to a  
58 doctor than the amounts established as of July 1, 2003, under SEBAC  
59 5A; (8) the employer's contribution to the unfunded accrued pension  
60 liability shall be reduced for the state fiscal year ending June 30, 2004,  
61 by \$25,000,000 and for the state fiscal year ending June 30, 2005, by  
62 \$25,000,000. Such reduction shall not be reflected in any actuarially  
63 determined amount required for payment into the State Employees  
64 Retirement Fund prior to the state fiscal year ending June 30, 2008, and  
65 shall be repaid in equal increments over the remaining period of  
66 amortization; (9) any employee laid off after December 1, 2002, who  
67 takes the Early Retirement Incentive Program under public act 03-2  
68 and special act 03-2, as amended by this section, shall be deemed to  
69 have transitioned directly into retirement for purposes of all benefits  
70 accorded retiring employees; (10) the acceptance by SEBAC of the  
71 provisions of this subsection shall require the withdrawal as plaintiffs  
72 by SEBAC and its constituent unions of *State Employees Bargaining*  
73 *Agent Coalition, et al. v. John G. Rowland, et al., United States District*  
74 *Court, District of Connecticut, Civil No. 3:03CV221 (AWT).*

75 (b) The Secretary of the Office of Policy and Management shall  
76 ensure compliance by the Commissioner of Administrative Services  
77 with the provisions of section 5-248c of the general statutes.

78 (c) The Secretary of the Office of Policy and Management shall,  
79 within seven days of the effective date of this section, offer the  
80 following contractual terms and conditions to all collective bargaining  
81 units other than higher education: (1) There shall be no general wage  
82 increase or annual increment in fiscal years 2004 and 2005; (2) those

83 units which have not yet accepted a wage freeze, and have settled  
84 wages for fiscal year 2004 or 2005 shall receive an offer to restore wage  
85 rates in effect for fiscal year 2003; (3) unless otherwise provided for in  
86 this subsection, increment-based units shall not receive annual  
87 increments during fiscal year 2004 or 2005; (4) any arbitration award  
88 pending before the General Assembly as of the time an offer is made  
89 pursuant to this section, shall be deemed to be a settled contract for  
90 purposes of this section only; (5) for purposes of this section, "layoff"  
91 shall not include (A) separations occurring as a result of the  
92 termination of grant funded or durational positions, (B) the failure to  
93 renew appointments for performance reasons, or (C) the denial of  
94 tenure for performance reasons. "Layoff" shall include demotions for  
95 reasons not related to performance; (6) each employee laid off on or  
96 after December 1, 2002, shall be offered the opportunity to return to  
97 state employment on or before September 1, 2003. Such employee shall  
98 be offered the position the employee held immediately prior to being  
99 laid off unless that position was eliminated due to the closing of a  
100 facility, or the legislative elimination of a program, or as a result of the  
101 abolition of an entire classification, or their original position is  
102 occupied by another person as the consequence of such an elimination  
103 of another position. Otherwise, each laid off employee shall be offered  
104 a substantially equivalent position in the same collective bargaining  
105 unit for which the laid off employee is qualified. If no such position  
106 exists, such laid off employee shall be offered the choice of a lesser  
107 paid position in the unit for which the laid off employee is qualified, or  
108 an equivalent position in unionized state service for which the laid off  
109 employee is qualified. If no such positions exist, laid off employees  
110 shall be trained and placed by the Placement and Training Committee.  
111 The cost of such retraining assessed to the Replacement and Training  
112 Fund shall not exceed five million dollars. The choice of a laid-off  
113 employee to retire shall not prevent such employee from being offered  
114 employment pursuant to this section, provided such employee  
115 rescinds his or her retirement within thirty days of any agreement  
116 entered into pursuant to this section becoming final and binding.  
117 Nothing in this section shall affect any existing contractual seniority;

118 (7) time on layoff shall be considered continuous state service for all  
119 purposes. Any laid off employee who returns to state service pursuant  
120 to this section may buy back vacation or personal leave time cashed  
121 out as a result of his or her layoff; (8) until returned to state  
122 employment, those employees separated from state service as a result  
123 of the document issued November 27, 2002, by the director of the  
124 Office of Labor Relations within the Office of Policy and Management,  
125 shall be placed on a preferential hiring list, with all relevant  
126 contractual, statutory and SEBAC rights, pending the return of all laid-  
127 off workers, and prior to the hiring of any new employees in theirs or  
128 related job titles; (9) there shall be no layoffs in fiscal year 2004 or fiscal  
129 year 2005 unless specifically identified in the biennial budget act as  
130 originally enacted for said fiscal years; (10) there shall be no layoffs in  
131 fiscal year 2006 or fiscal year 2007."

132 In line 162 strike "four hundred fifty dollars" and insert "five  
133 hundred dollars"